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TABLE OF CONTENTS

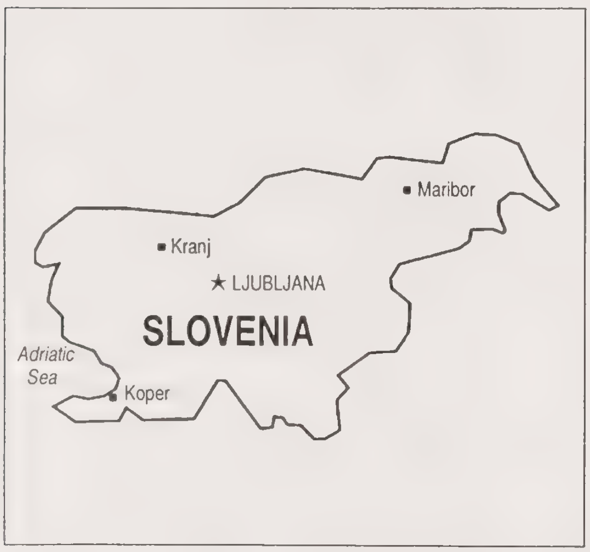
LIST OF TABLES

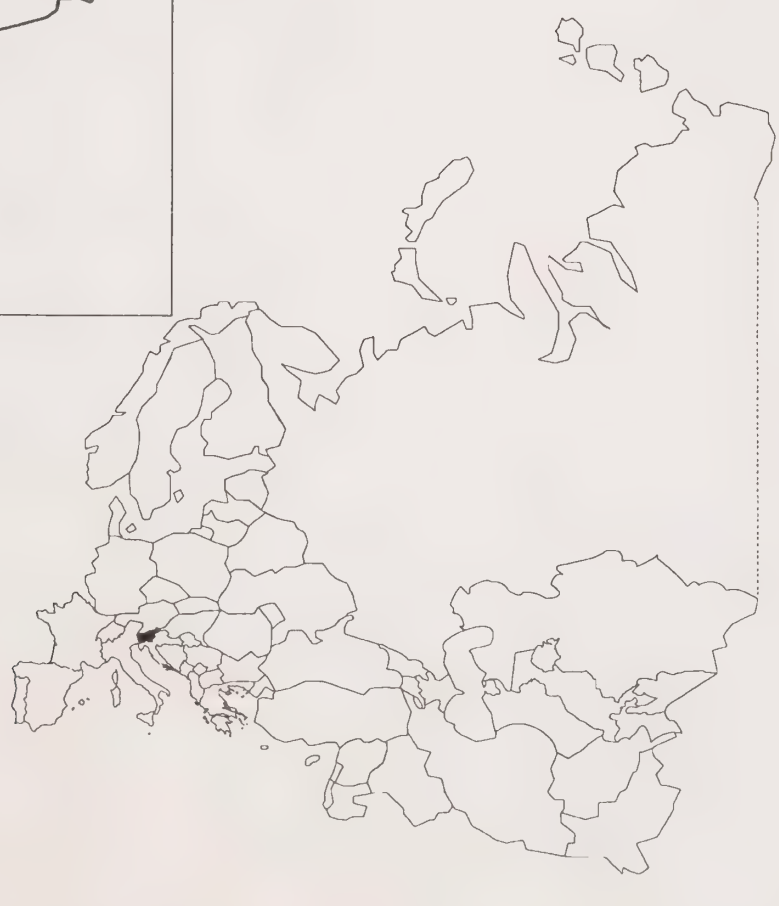
GEOGRAPHY

Slovenia is located in Southeastern Europe, bordering the Adriatic Sea, between Croatia and Italy. The total area is 20,296 km^2. Land boundaries total 1,045 km; shared with Austria 262 km, Croatia 501 km, Italy 199 km, and Hungary 83 km. Slovenia's climate is Mediterranean and continental; with mild to hot summers and cold winters in the plateaus, and valleys to the east.

The terrain is a short coastal strip on the Adriatic, an alpine mountain region adjacent to Italy, and mixed mountain and valleys with numerous rivers to the east. Natural resources include lignite coal, lead, zinc, mercury, uranium and silver.

Environmental issues include: the Sava River, which is polluted with domestic and industrial waste; pollution of coastal waters with heavy metals and toxic chemicals; and forest damage near Koper from air pollution (originating at metallurgical and chemical plants) and resulting acid rain. Natural hazards include flooding and earthquakes.





DEMOGRAPHICS

The population of Slovenia reached 2.05 million in 1995. Nineteen percent of the population is under 14 years; 69 percent is between 15-64 years; and 12 percent is 65 years and over.

With a net migration into the country, the population is expected to increase by approximately 0.24 percent, or 50,000 people. At 50 percent, the population is relatively less urbanized than other countries in Central and Eastern Europe.

The birth rate was 11.85 births per 1,000 population, while the death rate was 9.27 deaths per 1,000 population. The net migration rate was minus 0.19 migrants per 1,000 population. Demographic indicators are presented in Table 1.

The nationality is Slovene. Citizens are referred to as Slovenian. Ethnic divisions include Slovene (91 percent), Croat (3 percent), Serb (2 percent), Muslim (1 percent), and other (3 percent). Religions include Roman Catholic (96 percent, including 2 percent Uniate), Muslim (1 percent), and other (3 percent). Languages spoken include Slovenian (91 percent), Serbo-Croatian (7 percent), and other (2 percent).

Table 1: Demographic Indicators

Population (million)	2.0
Population Density (per km^2 1994)	98.2
Population by Age	
0-14	19%
15-64	69%
65+	12%
Population Growth (% projection 1995)	0.24
Urban Population (% of total, 1994)	50.0
Cities with over 1 million Inhabitants (1995)	None (Ljubljana, pop. 330,000)
Growth Rate of Largest City (% 1990-95)	Ljubljana, NAV

NAV - Not Available
Sources: MRI, 1996; EIU, 1996; CIA, 1995; UNDP, 1995

Slovenia appears to be making a solid economic recovery, fulfilling the promise it showed at the time of Yugoslavia's breakup. It was by far the most prosperous of the former Yugoslav republics, with a per capita income more than twice the national average. It also benefited from strong ties to Western Europe and suffered comparatively small physical damage in the dismemberment process.

The beginning was difficult. Real GDP fell 15 percent during 1991-92, while inflation jumped to 247 percent in 1991 and unemployment topped 8 percent, nearly three times the 1989 level. The turning point came in 1993 when real GDP grew 1 percent, unemployment levelled off at about 9 percent, and inflation slowed dramatically to 23 percent.

The government gets generally good economic marks from foreign observers, particularly with regard to fiscal policy. The budget deficit in 1994 was only about 1 percent of GDP, following several years of small surpluses.

Over the last two years, Slovenia's GDP has grown at a rate of 5 percent in 1994 and 3.5 percent in 1995, and income per capita is expected to surpass that of Greece, Portugal and Ireland before the year 2000. Productivity has increased by 5 percent, and industrial production by 6.5 percent. Foreign exchange reserves are over US$3 billion; one of the highest per capita levels in the world. With a small budget surplus in 1994, fiscal deficit has been negligible, and the public debt (including an assignment of 16 percent of the former Yugoslav national debt) is smaller than most Western European countries.

With an 8.6-percent rate in 1996, inflation has been brought down significantly from 247 percent in 1991. GDP in nominal dollar value has grown 29 percent from US$14 billion to US$18 billion. As a result, Slovenia has the second highest credit rating (45.9 points out of 100) in the Central and Eastern European region, just behind the Czech Republic. It has also posted the largest one-year increase in credit rating in the region gaining over six points. Imports have grown to about US$9.5 billion. A weak U.S. dollar has encouraged an increase in imports from Canada and a decrease in imports from the European Union.

However, economic activity shows some signs of slowing. The persistent high unemployment (10-14 percent since 1992) has been attributed to permanent structural adjustments in the trade and export patterns of Slovenia which has caused many enterprises to close. Key economic indicators and projections are illustrated in Table 2.

Table 2: Key Economic Indicators and Projections

	1994	1995	1996
Real GDP (% growth)	5.0	3.5	5.3 (est.)
GNP per capita (US$ at Purchasing Power Parity [PPP])	7,140	8,070	
Average Gross Monthly Wages (US$)		533.20	606.40
Unemployment Rate (%)	14.4	14.4	
Inflation Rate (%)	19.8	8.6	6.0 (est.)
Trade Balance (US$ billion)	–0.18	–0.5 (est.)	
Gross Debt (US$ billion)	0.7*	0.9 (est.)	2.2**

* excludes former Yugoslavian debt not allocated.
** includes Slovenia's share of the allocated debt of the former Yugoslavia.
Sources: EIU, 1996; MRI, 1996; EBRD, 1995

World Bank Economic Assessment

With a population of 2 million and a GNP per capita of US$8,070 in 1995, Slovenia is the most prosperous country in Central and Eastern Europe. The Slovene economy is oriented toward services and manufacturing, with the services sector accounting for about 57 percent of output and industry accounting for about 30 percent of output. Its economy is comparatively open, with exports representing about 56 percent of GDP and imports

about 57 percent of GDP. The European Union (EU) is Slovenia's biggest trading partner, accounting for approximately 67 percent of its exports and 69 percent of its imports. Within the EU, Germany is the most important partner.

Slovenia enjoyed the highest standard of living among the former Yugoslav republics. Its macro-economic and growth performance, however, deteriorated substantially with the rest of Yugoslavia during the 1980s due to structural weaknesses of the old Yugoslav system of enterprise self-management. The disintegration of Yugoslavia and the resulting disruptions in trade, production, and tourism led to further output decline in Slovenia. GDP fell by 3 percent in real terms between 1990 and 1992, and fixed investment declined to an all-time low of approximately 17 percent of GDP in 1992. The contraction of activity was accompanied by a sharp increase in the unemployment rate, from around 5 percent in 1990 to more than 14 percent in late 1993.

In early 1993, Slovenia launched a comprehensive structural reform program to address its inherited structural problems. The program's core elements included enterprise-sector reform, including the privatization of socially owned enterprises, reform of state-owned enterprise control and governance, and programs to stem enterprise losses and develop the private sector. The program also called for reform of the banking sector through restructuring, stricter regulation, and privatization.

The privatization of socially-owned enterprises was slow at first, since it was initiated on a voluntary basis. The pace picked up substantially, however, since the second half of 1994. The privatization process was expected to be completed by the end of 1996.

Practically all the enterprises in commercial public services have been converted into joint stock or limited liability state-owned enterprises. Net losses in the enterprise sector have been reduced to below 2 percent of GDP, and special laws for regulation and privatization of telecommunication, railway and energy sub-sectors are either in force or to be adopted shortly. Authorities expect to complete the privatization process by the end of 1996. Growth in new private enterprises has been robust, partly due to progress in adopting important elements of reform in the legal framework for private sector development, including bankruptcy and company laws, auditing and notary standards, and securities market legislation. The private sector accounted for about one third of GDP in 1995.

Slovenia has also made major progress with restructuring banks to ready them for privatization by writing off loan portfolio and other losses, and separating assets and liabilities related to the former Yugoslavia. Progress was also good, although slower, on stabilization, with annual inflation falling to 8.6 percent in 1995 from 19 percent in 1994, and 23 percent in 1993.

Slovenia's economic turnaround began in 1993 with its economic performance continuing to improve in 1994 and 1995. After a modest 1.9 percent growth in real GDP in 1993. Slovenia's real GDP increased by close to 5 percent in 1994 and about 3-5 percent in 1995. Investment has been the driving force behind the recovery, growing in real terms by almost 55 percent since 1992 and reaching almost 23 percent of GDP in 1995. If these investment rates are sustained, Slovenia should be able to maintain high output growth rates and to recover its pre-independence output levels rapidly. These high investment rates should also help to reduce unemployment which currently stands at 14 percent of the labour force. While consumption was also an important source of growth in 1993, its growth slowed in 1995 due to lower increases in real wages. Domestic savings rose by 4 percent of GDP in 1994 and 0.5 percent of GDP in 1995 to reach almost 27 percent of GDP. These savings rates are among the highest levels in the region and make room for higher external sector surpluses and the sharp increases in investment, two factors which underpinned growth recovery so far.

Subject to continued sound economic management, the future prospects for Slovenia appear to be good. Current projections call for another year of rapid growth of 3.5 percent, led by continued investment demand. Also, annual inflation is expected to decline further to about 6 percent. However, the country's ability to sustain high growth under-price stability will increasingly depend on its capacity to fully implement its program of restructuring and privatization in the

enterprise and banking sectors, and pension and health sector reforms. Reforms will improve efficiency, reduce pressures on the budget, free monetary policies from current constraints, and pave the way for sustained private sector-led growth.

Slovenia joined the World Bank and the International Development Association (IDA) in February 1993. Since then, the Bank's assistance to Slovenia has focussed on structural reforms and the environment. A US$80 million Enterprise and Financial Sector Adjustment Loan, approved in July 1993, supports the government's efforts in the privatization of state-owned enterprises, bank restructuring and privatization, enhancement of the regulatory framework for banking, labour market adjustment, and strengthening of the social safety net.

POLITICAL OVERVIEW

In a referendum in 1990, 88 percent of Slovenes voted to create a new independent country, separate from Yugoslavia. Slovenia declared independence in June 1991, and was immediately attacked by the Yugoslav army in a war that lasted only 10 days and ended with the signing of the Brioni Declaration peace agreement. Laws on denationalization, a Slovene constitution, and free elections quickly followed, setting the foundation for a parliamentary democracy. Both Hungarian and Italian minority populations, are each constitutionally guaranteed a parliamentary seat. A significant restructuring of local government took place in 1994 in an attempt to simplify the previous complex administrative structures.

Slovenia is 91 percent Slovene and has avoided the ethnic tensions prevalent elsewhere in the Balkans. Politically, the governing coalition is centrist, although Slovene politics are fragmented; seven parties are present in Parliament, and the largest, the Centrist Liberal Democrats, has just 25 out of 90 seats.

TRADE POLICY

Slovenia was admitted to GATT in 1994; finalized an association agreement with the European Union in 1995; is a member of European Free Trade Agreement (EFTA); and in 1996 became a member of Central European Free Trade Agreement (CEFTA), whose members include Poland, Hungary, Czech Republic and Slovak Republic. This is a trade region encompassing over 70 million people. Slovenia is also a founding member of the World Trade Organization (WTO).

Overview

While there is no official Slovene measurement of overcrowding, the bedroom count gives an indication that some overcrowding exists. In 1991, 45 percent of units had two or fewer bedrooms. Although 19 m^2 per person is generous in comparison to regional standards, there are considerable regional variations, with the worst conditions in Ljubljana, where 39 percent of renters have 8 m^2 or less of floor space per person, with an average of 12.6 m^2 per person, or 66 percent the national average. Forty-six percent of households permanently used the kitchen for sleeping and 49 percent shared a bedroom with children above the age of one year. Seventy-seven percent of adult children aged 15-24 live at home, compared to 42 percent of those aged 25-34. In total, 25 percent of households in a representative sample live with their parents or their spouse's parents.

Due to a liberal ownership policy of the former Yugoslav government, 88 percent of the housing stock was privately owned, completely or partially (i.e., equity co-ops), with the remainder socially owned. While private renting was also allowed, landlords were limited to a maximum ownership of two dwellings per person. Effectively, this prevented renting from becoming a significant segment of the housing sector, accounting for only 3.4 percent of the stock. In 1991, a constitutional amendment abolished restrictions on the number of units that could be owned by a single person. However, if a landlord owns more than three units, they are obliged to sign permanent leases with tenants. In reality, one in three tenants is without a lease. The only legal restriction imposed on the private rental sector is a stipulation that rents must not exceed the average rent for housing of the same quality by more than 50 percent.

Much of the former enterprise-owned housing is now leased to tenants rather than rented. Tenants can now be evicted for non-payment of rent or at expiration of the lease. Non-profit rental stock consists of the 77,000 units not purchased during privatization and is the second-largest sector of the housing market after owner-occupied housing.

Slovenia has a greater percentage of dwellings with a bath than Greece and only 14 percent less average floor space per dwelling, for an equal average household size of 3.1 persons. Both water and electric supply are fully comparable to Western European standards. Table 3 shows housing conditions by tenure type in 1994.

Table 3:
Housing Conditions by Tenure Type, 1994

Tenure Type	Percentage of the Housing Stock	Household/ dwelling	m^2/ Person	Persons/ Room	Number of Units (000s)	Units in Single-family Buildings (%)	Units in Multi-family Buildings (%)
Public Rental*	8.9	1.01	16.7	1.5	56.3	11.8	88.2
Ljubljana	8.5	1.01	NAV	NAV	8.0	14.6	85.4
Private Rental*	3.4	NAV	20.6	1.0	22.0	63.4	36.6
Ljubljana	3.2	NAV	NAV	NAV	3.0	43.8	56.2
Owner-occupied*	87.7	1.02	20.0	1.3	556.0	72.3	27.7
Ljubljana	88.3	1.01	NAV	NAV	85.0	41.9	58.1
Total*	100.0	1.02	19.0	1.3	-	-	-
Ljubljana	100.0	1.01	NAV	NAV	-	-	-

NAV - Not Available
* National data-
Source: MRI, 1996.

**Table 4:
Housing Quality Characteristics
(Based on total stock of 672,000 units, 1995)**

Total urban dwellings	101,000
Total rural dwellings	571,000
Housing units per 1,000 people*	338.0
Ljubljana**	374.0
Piped water in % of flats*	97.4
Bath or shower in % of flats*	86.6
Central heating in % of total housing*	64.5
Housing built since 1960 (%)*	63.3
** Ljubljana	70.0

* National average, 1994
** Ljubljana, capital city, 1995
Sources: MRI, 1996; UN-ECE, 1995

Substandard housing accounts for 13.4 percent of the total stock nationally, while over 27 percent of the private rental stock is described as lacking basic facilities, or unfit for habitation. In Ljubljana, the proportion of substandard housing is much lower at 5.3 percent, while in the owner-occupied sector, it accounts for less than 3 percent. The figures for Ljubljana are better as 70 percent of the housing has been built since 1960. Table 4 shows housing characteristics in 1995.

Overview

The Slovenian government formally owned only 2 percent of social housing while municipalities owned 30 percent. An interesting fact related to the housing sector under communism was that employers were prominent providers of both housing and low interest loans. The company housing sector, about 68 percent of the social rental housing, operated in a quasi-independent capacity sometimes in co-operation with local governments. Generally, state activity in the functioning of this housing was limited to national regulatory and policy functions. This model of housing provision and planning was among the most decentralized in Central and Eastern Europe. However, access to housing was often contingent on employment.

Relevant Regulatory Systems

Under the 1991 Housing Act, the Privatization Act, the Restitution Act, and the 1993 Law on Denationalization, dwelling units seized during nationalization could be returned to their former owners or their heirs. As a result, restitution claims were filed on 13,000 dwellings. By 1994, this had resulted in the restitution of 3.7 percent of all former state-owned dwellings nationally, and 1.5 percent in Ljubljana. Where the restitution of real property is not practical, a compensation fund is being capitalized with shares in privatized companies. Compensation with an equivalent amount of state bonds was another option. However, these bonds could not be redeemed before the year 2005. The pace of privatization has been slow due to difficulties with the legislation, including: the continued existence of strong tenants' rights while the restituted owners have negligible property rights; re-sale restrictions; and stringent controls on rents and evictions. Additionally, the Right-to-Buy for sitting tenants conflicted with the Right-to-Restitution by the original owners. This was solved by giving preference to the original owner, who had the option, but was not forced to sell to the sitting tenant.

Some 80 percent of all prices are now unregulated, except for certain housing rents, and all utilities. The only production-side subsidy available in 1996, are the sub-market rate housing loans, available from the National Housing Fund (NHF). A means-tested housing allowance is available, to subsidize rent payments of tenants who have limited incomes.

A new Housing Act was proclaimed in 1991, providing a comprehensive set of regulations for the entire housing sector. Success in implementing the Act has been slow, with the exception of some sales of former state housing and the restitution of property seized during nationalization.

Housing as a National Priority

The law on privatization of state enterprises, administered by the Agency for Restructuring and Privatization, was passed in 1992. By mid-1995, 693 companies were either privatized, or were well advanced in the process. Privatization is currently taking place through "ownership certificates" issued by the government to all Slovene nationals. The value of the certificates is linked to the age of the citizen, and on average, face values are between 4,000 and 6,400 DM. The certificates can be exchanged for shares, either in individual enterprises, or in any of several investment funds. A portion of certificates can be issued to employees of enterprises, or given to pension funds.

Legally, municipalities and enterprises were obligated to offer their housing for sale. The privatization of housing, which began in October 1991, was substantially complete by October 1994 when 70 percent of the units held by the public sector in 1990 had been transferred or sold to sitting tenants, or private landlords. In Ljubljana, 19 percent of the public sector housing stock had been transferred or sold by 1994.

In total, 135,000 units were privatized. Slovenia's privatization is among the largest and fastest in the region. Stock not sold became non-profit rental apartments with a permanent lease and controlled rent. On average, in 1991 and 1993, units were sold nationally at a price equal to 15 percent of

their estimated market value. This discount was an effective subsidy to help speed privatization. Some re-sale restrictions, mainly in the form of a capital gains tax, were placed on the privatized units to limit speculation.

Municipalities and firms retained 80 percent of the funds generated from sales of public housing, while 20 percent went into the municipal and enterprise managed funds. These were used to grant favourable loans to purchasers or builders of housing. Local government now has a legal responsibility to provide social housing to low-income households.

Key Housing Market Institutions

Two state agencies, the Privatization Agency, and the Development Fund, are responsible for the privatization of remaining public housing. The National Housing Fund is responsible for granting loans to selected community groups to build non-profit rental units. The large vertically-integrated housing management companies, responsible for operations, maintenance, and rent collection, have been privatized and restructured as smaller, more competitive organizations.

Blueprints for future construction must be reviewed by local government offices, that can reject the plans for no apparent reason. Even if approved, the issuing of a building permit can take up to two years.

State of the Local Housing Market

The combined effects of the recession, which showed signs of ending in early 1995, and the reduction of state investment in housing, have resulted in a decrease in gross investment from 4.2 to 3 percent of GDP. Unlike many other Central and Eastern European countries, the level of private investment in housing in 1990 was approximately 20 times larger than the share contributed by the state. Therefore, the withdrawal of state support did not have as significant an impact on total investment as might be expected for the region. Private investment reached 64 percent of its 1990 level by 1994, whereas state investment fell to 36 percent of its former level over the same period. Table 5 shows housing investment in Slovenia for the period 1990-94.

Total housing completions have declined from a high of 13,672 in 1980, to 5,546 in 1994, while completions by private individuals have remained virtually constant with between 6,673 and 4,984 units from 1980 to 1994. The overall reduction has come from the dramatic reduction in employer and social housing, falling from a high of 6,999 units in 1980 to 562 in 1994. Table 6 presents the new housing units by type of developer.

In a representative survey, 28.6 percent of Slovenes indicated they obtained their housing by means of self-help construction, while only 7 percent obtained housing by purchasing it on the market.

Construction costs have decreased to 91 percent of their 1990 level, with the median new house price in Slovenia at approximately US$87,600. At an average annual wage of US$7277, the current median house price ratio is 12 times the median income. In spite of this high ratio, the average unit size increased by 10 percent nationally between 1990-94, and by an impressive 25 percent in Ljubljana. The increase in Ljubljana may be a result of the fall in construction costs there in contrast to a 4-percent increase in costs nationally. Table 7 provides statistics on housing production, land and development costs.

Table 5:
Housing Investment 1990-94 (US$ million)

	State and Local Government	Co-operatives	Private Persons and Institutions	Total	Share of GDP
1990	35.0	NAV	695.0	730.0	4.2
1994	12.5	NAV	443.0	456.2	3.0

NAV - Not Available
Total investment in housing as a percentage of GNP.
Source: MRI, 1996

Table 6:
New Housing Units by Type of Developer

		1980	1990	1994
National	Government	6,999	2,246	562
	Co-operatives	NAV	NAV	0
	Private Individuals	6,673	5,513	4,984
	Total	13,672	7,759	5,546
Ljubljana	Government	811	365	270
	Co-operatives	NAP	NAP	NAP
	Private Individuals	144	655	121
	Total	955	1,020	391

NAV - Not Available
NAP - Not Applicable
Source: MRI, 1996

Purchasing an apartment or house is beyond the means of most Slovenians. Although the ratio of house-price-to-income is officially 7:1, a study suggests that this ratio is higher for new apartments, because of the higher amenity value of new construction. In the future there may be an increase in demand for housing as average wages have increased by 3.5 percent in 1995, purchasing power has risen, and private consumption has risen by 4.2 percent in 1995.

Table 7:
Housing Production, Land and Development Costs

	New Units Per 1,000 Population			Land Cost[1]	Construction Cost[2]			New Unit Size, m^2		
	1990	1994	%1990/ 1994	1994	1990	1994	%1990/ 1994	1990	1994	%1990/ 1994
Slovenia	3.9	2.8	72	20-25	1,143	1,194	104	93	102.0	110
Ljubljana	NAV	NAV	NAV	20-25	1,352	1,233	91	72	89.8	125

NAV - Not Available
1. Defined as the land price as a percentage of the total house price (including land price) for typical newly constructed units.
2. Defined as the present replacement cost (labour, materials, on-site infrastructure, management and contractor profits) in US$ per m^2 of a median priced dwelling unit.
Source: MRI, 1996

MATERIALS, LABOUR AND FINANCING

Overview

Foreign direct investment in the construction sector has increased as the industry has grown. For example, the real value of works carried out in 1995 increased 8.7 percent. There was significant small-scale private sector trade and construction activity in the former Yugoslavia and almost all of that activity still remains in the private sector. The building industry is a significant part of the Slovene economy, employing just over 30 percent of the population, and an even higher percentage of the work-force in 1992. The privatization of former state construction enterprises has resulted in a number of smaller, more competitive firms entering the market. Public sector construction firms still account for a sizeable share of the market both in terms of value and employment. Table 8 shows the structure of the building industry in 1994.

Table 8: Structure of the Building Industry, 1994

	Number of Firms	Employees	Value of Output
1980[1]	19,794	783,000	NAV
1990[1]	18,232	751,000	29,654 million tolars
1991[1]	18,326	682,000	53,255 million tolars
1992[1]	18,808	638,000	2,245 US$ million
1993[2]	518	30,000	NAV

NAV - Not Available
1. Data for public sector only.
2. Data for private sector only.
Note: Until 1992, the Slovenian tolar was not convertible to US$.
Source: United Nations, 1995

Materials

Foreign direct investment in the Slovenian building materials production sector grew in 1996. The cost of local materials is expected to shrink over the next few years, as greater efficiencies are realized from the restructured former state enterprises.

Table 9: Local Production of Building Materials, 1993

Material	Quantity
Bricks	33 (million)
Concrete Blocks	188 (million)
Lime	217 (1,000 t)
Roofing Tiles	43 (million)
Insulation Materials	108 (1,000 t)
Pre-fabricated Concrete Elements	221 (1,000 t)
Ready Mixed Concrete	774 (1,000 t)
Steel	117 (1,000 t)
Sawn Wood	523 (1,000 m^3)

Source: United Nations, 1995

Although a portion of the domestic materials production is exported, primarily to neighbouring Austria and Italy, the narrow selection of materials means that demand has increased for value-added imported products. The local production of building materials in 1993 is shown in Table 9.

Labour

The construction labour pool in Slovenia is highly skilled, but not necessarily in wood-frame technologies. With national unemployment hovering around 14 percent and the building industry in a phase of restructuring, labour shortages in any trade or sub-sector are unlikely. In 1995, the Slovenian government enacted minimum wage laws and the average industrial wage increased by 3.1 percent. As a result, average unit labour costs including wages, and employer and employee social security contributions, equal about 10 DM per hour.

Financing

Private financial assets in Slovenia are rapidly increasing, both in tolar, and hard currency deposits. Savings ratios currently amount to about 25 percent of GDP.

There are several means of financing home purchase or construction. Personal savings

(primarily in hard currency) can be exchanged for Slovenian currency and deposited in special housing bank accounts. Once depositors have an agreement of purchase and sale, or an executed construction contract, they can apply to the bank for a loan, using their deposit as security. Loan ratios range from 250 to 400 percent of the deposit amount. Loan repayment times range from 15-30 years while interest rates are linked to the inflation rate, plus 3-14 percent. Depositors receive a deposit interest, ranging from the rate of inflation, to the rate of inflation plus 5 percent. This provides effective mortgage lending rates of between 3-8 percent. Normally, loans are not secured by the equity or market value property because of difficulties in foreclosing in cases of default. Borrowers experiencing difficulty in debt repayment are given various options including paying only the interest portion of the loan, and deferring the principal payment until the household's financial situation has improved. A number of the bad debts generated by this loan system have since been remortgaged under one of two schemes.

The National Housing Act, mandated the creation of a new source of housing financing, called the National Housing Fund (NHF). It is capitalized with 20 percent of the proceeds from the sale of municipal and enterprise housing. The NHF's role is to grant loans to community groups, for the construction of non-profit rental housing, with an interest rate tied to inflation plus 3 percent. In its first year, the program financed the construction of 550 units.

The National Housing Act, directed the other 80 percent of the proceeds from the sale of housing into municipal and enterprise funds. These are intended to replace current methods in place. Due to other municipal and enterprise financial imperatives, the financing from this scheme has been minimal so far.

In order to strengthen government foreign currency holdings, every foreign currency loan to a Slovene beneficiary for a period of less than 5 years must be backed by an interest-free deposit with the central bank of 40 percent of the loan amount. The majority of banks will remain state-run in the short-term.

Short-term capital interest rates in 1995 averaged 23 percent and were projected to fall to 18 percent in 1996.

HOUSING MARKET ACTIVITY, NEED AND DEMAND

Local Housing Activities

Slovenia has recently introduced new types of leases and contracts to allow the market to function more efficiently. It is difficult to estimate the current size of the real estate market, because there is no data available on the number of sales or transactions. However, the average sale price per m^2 for used dwellings in 1994 was US$1,138, the highest of the 12 countries monitored in Central and Eastern Europe. While few sales are taking place and currently there is little housing mobility, the situation is expected to improve in the future as titling issues are resolved.

Factors Affecting the Demand for Housing

There were 637,000 households in Slovenia in 1994, averaging 3.1 persons per household. In contrast to other countries in the region, the number of households actually decreased between 1990-94. Since the total stock may also include seasonal or sub-standard homes, a more accurate measurement of housing units yielded 620,000, with the number of households at 640,200, giving an absolute shortage of 19,500 units. The average useful floor space per unit was 68.7 m^2.

Although the absolute shortage of housing units is small nationally, there are indications that demand is greater in the Ljubljana, and in urban centres generally. However, effective demand is constrained by the financial mechanisms. As Slovenia continues to attract immigrants, its population is growing, but despite the growth in real incomes, Slovenians do not have sufficient savings to purchase housing thus limiting effective demand.

In 1995 the average monthly wage was US$606.40. This is expected to increase by 3.1 percent in 1997. But actual wages might be higher given the prevalence of the shadow economy in Slovenia. Therefore, rising wages and increased purchasing power will improve housing affordability. Although the percentage of income devoted to rents and utilities is quite low by Canadian standards, it is relatively high by Central and Eastern European standards. Slovenia still has relatively heavily subsidized energy and utility costs, and while these subsidies will ultimately be reduced allowing energy prices to rise to world levels, they remain in effect for the foreseeable future. The ratio of house-price-to-income is surprisingly low considering Slovenia has the highest construction costs per m^2 in the region. There are also regional differences in affordability, with public sector housing costs higher in Ljubljana than nationally. Table 10 shows statistics on housing costs in the owner-occupied and rental sectors in Slovenia in 1994.

With real incomes growing, Slovenia has the highest incomes in the region. The average income of the top quintile (20 percent) of the population is US$19,308. In fact, the average household income is higher in Slovenia than that of the highest quintile, in all the other Central and Eastern European countries.

Table 10:
Housing Costs in the Owner-occupied and Rental Sectors, 1994

	Public Sector Rentals (as a % of average income)			Owner-occupied
	Rent	Utilities	Rent and Utilities	Ratio of house-price-to-income
Slovenia	5.2	9.1	14.3	7.1
Ljubljana	7.3	10.9	18.2	NAV

NAV - Not Available
Source: MRI, 1996

EXPORT OPPORTUNITIES AND STRATEGIES

Overview

Slovenia is the 11th largest of 16 markets in Central and Eastern Europe for Canadian building products, worth about $583,000 in 1995.

With foreign direct investment equal to US$700 per capita, Slovenia enjoys one of the highest levels of Central and Eastern European countries. Canada does not rank among the top foreign investors in Slovenia. Major investors are France, Germany, Croatia, Austria, Italy and the U.S. Those countries are also the primary exporters to Slovenia. Despite that, total bilateral trade with Canada rivals that of other much larger Central European nations. Table 11 shows the value of Canadian building material exports to Slovenia in 1995.

Export Opportunities

There were 7,846 housing completions in 1993, the latest year fir which data is available. This was down sharply from 14,674 in 1981. Growth in effective demand is contingent on the success of certain economic and political reforms. Considerable progress has been made in this area with the liberalization of trade, increased investment opportunities and the growth in real wages, savings and purchasing power. The significant private sector share of housing investment, both before and after the transition, is impressive. The resale housing market commands the highest prices per m^2 in the Central and Eastern European region, in part due to the higher average wages. The potential opportunities for Canadian housing products are significant. The export of materials and components seems to be more promising than exports of manufactured housing or development.

- **Wood Products:** Slovenia exports a number of partially finished wooden assemblies including cabinets. This presents an opportunity for the Canadian supply of raw materials or for joint ventures.
- **Single-family Home Building Industry:** This sub-sector of the housing market will do well over the next ten years. Although there is limited acceptance of wood-frame technologies, Canadian expertise in masonry construction, and the production of lower density housing forms, could be a viable niche market for smaller builders. Production volume would be small but there are indications that profit margins might be higher than in Canada.
- **Do-It-Yourself Market:** This is one of the most promising areas. A survey indicated that 28.8 percent of Slovenes obtained their housing by self-help means. Therefore, opportunities exist for a range of products suitable for installation by persons with limited construction experience. Products with potential include, consumer hand and power tools, kitchen cabinets, and pre-hung doors. Metric specifications are the normal standard and the market is extremely price-sensitive. A limited opportunity exists in the establishment of retail outlets, to serve the do-it-yourself market.

Table 11:
Value of Canadian Building Material Exports, 1995

	Prefab. Buildings	Wood Products	Doors and Windows	Asphalt Shingles	HVAC, Electrical, Mechanical	Tools and Heavy Equipment
1995	103,910	337,835	70,064	435,000*	49,220	22,294

* HS Code - 680790
Source: Industry Canada, 1997

- **Rehabilitation and Energy Retrofitting of Pre-cast Concrete Buildings:** Retrofitting concrete panels for mid- and highrise apartment buildings is a limited opportunity and is expected to grow considerably. However, energy prices remain heavily subsidized in Slovenia. As the government gradually phases these out during the transition to a market economy, energy prices will rise to world levels, consequently creating a demand for greater energy efficiency. Although the owners of the units are unlikely to be able to finance renovation themselves, a number of organizations including the European Bank for Reconstruction and Development (EBRD), and the International Finance Corporation are willing to finance such ventures.
- **Privatized Housing and Building Material Production Facilities:** There are some limited and specific opportunities for investment in this sub-sector. However, the most attractive investments are rapidly disappearing. This type of investment can be difficult because negotiating with privatization authorities can be a lengthy and difficult process. Investment risks include potential liability and incorrect asset evaluation.
- **Production of Office Space:** There is a severe shortage of office space in Ljubljana. However, this potential market is fraught with obstacles. Unclear ownership rules and strict planning laws for commercial space have discouraged developers. Quality office space rents for approximately US$25 per m^2.

Best Sales Prospects

The materials that are potentially the best sales prospects were chosen because of local need and demand and the Canadian ability to supply these products. While some products are already available in Slovenia, the Canadian products may offer a better price or quality. Based on an analysis of current trends, the best prospects are:

- prefabricated housing;
- prefabricated components (panel assemblies) and the manufacturing equipment used to make them;
- dimensional softwood lumber and plywood;
- pre-hung doors, PVC and metal windows, roof windows;
- home security systems;
- asphalt shingles; and
- fibreglass and exterior insulation.

Export Strategies

Slovenia is a very promising market although the present Canadian involvement and experience is limited. Among the Central and Eastern European countries, Slovenia has been one of the best in terms of improving the clarity of the business climate for exporters and investors, and has been given an "advanced" rating for its progress by the World Bank. Nonetheless, there are several things to bear in mind.

- The business environment is improving but the transformation of trade creates good opportunities along with commensurate risks.
- There is much less transparency in the business environment than in Canada, and the best way to accurately evaluate these risks is to work closely with business experts working in Slovenia.

Overview

Canadian citizens do not require a visa for stays of up to 90 days. The Slovenian tolar was introduced in 1991 and is fully convertible for current account transactions. The tolar has an exchange rate tied to the Deutschmark and floats within a fairly narrow band due to government interest rate policies.

Business Customs

Slovene is the official language, although Hungarian and Italian are also spoken in particular regions. Many business people speak English and German. Businesses are open from 8 a.m. to 3 p.m. Monday to Friday.

The following holidays are observed in Slovenia:

Table 12: Holidays

January 1-2	New Year's Days
February 8	Slovenian Cultural Day
March/April (variable)	Easter Sunday and Monday
April 27	Resistance Day
May 1-2	Labour Days
June 25	National Day
October 31	Reformation Day
November 1	Memorial Day
December 25	Christmas Day
December 26	Independence Day

Business Infrastructure

Slovenia has 11,046 km of paved highways including 187 km of expressways and 3,680 km of unpaved highway. Railroads total 1,201 km in standard gauge with 499 km electrified. Three ports are located at Izola, Koper and Piran. There is one major airport and 13 smaller airports. Natural gas and oil pipelines total 595 km.

Distribution and Sales Channels

Building materials' retailers do not generally exist. The tradition has been to purchase materials directly from the manufacturer. In the case of imported materials, the best way to access distribution channels is through a local partner, or by exporting through a consolidator. The major markets are in Ljubljana. Canadian and Slovenian Embassies can identify interested agents, partners and distributors.

Finding a Partner

Slovenia has an extensive network of importers, exporters, wholesalers, agents, dealers, department store chains, and retailers. Any foreign person or company engaged in business activities may conclude an agency contract with a company registered in Slovenia. Currently, Slovene law requires that only one exclusive agent be appointed. Furthermore, the contract should be for at least one year. All agency contracts must be submitted to the Ministry of Foreign Affairs.

Advertising

The best advertising value is to be found in trade and building industry magazines.

Establishing an Office

There are virtually no restrictions on the types of business entity. The legal frameworks for private ownership, bankruptcy, accounting, and banking, necessary for the proper functioning business, are in place.

However, there are two notable barriers to Canadian investment in Slovenia. First, any company incorporated in Slovenia must have a managing director of Slovene nationality, or the majority of the board of directors must be Slovene. Second, there are restrictions on property ownership.

There are four forms of corporate organization in Slovenia including:

- unlimited or general partnerships where all partners are personally liable for liabilities undertaken by the partnership;
- limited partnerships where a general partner is fully and personally liable and complementary

partners are liable only for the amount of their investment;

- limited liability companies in which the shareholders are liable only for the amount they have invested in the enterprise; and
- joint stock companies in which shareholders are not personally liable for the company's obligations.

Limited liability companies and joint stock companies are the most common entities utilized by foreigners. Limited liability companies are intended to act as closely-held corporations. As a result, their shares are transferable only to outsiders with the consent of all other investors. In most cases, any additional capital must come from the initial investors. The minimum required capital for establishing a limited liability company is SIT 100,000. Joint stock companies may issue readily transferable shares to the public. A new stock exchange in Ljubljana is trading shares of such public companies. The minimum required capital for establishing a joint stock company is SIT 1 million.

The guidelines for establishing new enterprises in Slovenia are straightforward. The partners or corporate investors must agree on the form of enterprise in a written memorandum of association that becomes effective upon registration and approval by the government.

The law provides that an agreement will be approved by default if notice of rejection is not issued within 30 days of filing an application. There is no restriction on the duration of any form of enterprise or of any type of foreign investment. New legislation guarantees that investors may remain owners at their discretion.

Protecting Your Intellectual Property

Intellectual property is well protected in Slovenia. The Slovenian Related Rights Act, has been described as one of the most modern laws in Europe. Slovenia is a signatory to all of the important conventions including Berne, Paris, WIPO, the Madrid Arrangement, Internationally Registered Marks, and PCT. By 1996, Slovenia was to have fulfilled all obligations from Trade Related Aspects of Intellectual Property Rights, including TRIPS (trade in counterfeit goods).

Regulatory Issues

Taxation: A unified taxation system will be set up during 1997 to simplify the reporting requirements. Slovenia has improved its competitiveness by reducing the basic corporate rate by 5 percent, and the total employer contribution to social security by 2.5 percent. Taxation rates are as follows: basic corporate rate 25 percent; value-added tax (VAT) 20 percent; total employer contribution to social security 19.9 percent; total employee or expatriate contribution to social security 22 percent; personal income tax 50 percent; and a 15-percent withholding tax on dividends. Most taxation and investment incentives were discontinued by the end of 1995. An exception is the sales tax exemption for fixed capital assets used in joint ventures. Canada and Slovenia are negotiating a Double Taxation Agreement and a Foreign Investment Protection and Promotion Agreement (FIPA).

Exchange Controls: The Bank of Slovenia is the Slovene central bank and is responsible for the country's monetary policy under a framework established by the Slovene Parliament. The Slovene Tolar is the only legal currency in the country and no payments in foreign currencies are allowed in Slovenia.

Repatriation of Profits and Capital: Slovenia has no restrictions on the repatriation of profits or invested capital. Slovenia's exchange system is free of restrictions on payments and transfers for current international transactions.

Real Estate: A foreign registered company, or individuals of foreign nationality, are not allowed to own land in Slovenia, however, a company incorporated in Slovenia may own real estate, regardless of the origin of its capital. As part of their association agreement with the European Union (EU), Slovenia has agreed to liberalize land ownership laws. This proposed reform will allow EU citizens who have lived in the country for at least three years to buy buildings. The passage of this law is uncertain and may not take effect until the year 2002.

Exporting: Slovenia is a founding member of the World Trade Organization and General Agreement on Tariffs and Trade. Consequently, there are no quota limits placed on the import of Canadian goods. Because there is no free trade agreement with Canada, value-added tax (VAT) is normally

applicable on an equal basis with Slovenian goods. Canadian exporters often ask for cash in advance, or deal through a consolidator until they have established a track record with new customers.

Import Restrictions: It is important to note that the Republic of Slovenia has established customs posts at its border with the Republic of Croatia. It engages in trade with the other former Yugoslav republics as an independent nation. The Bureau of the Republic of Slovenia for Standards and Metrology monitors standards, norms, and regulations governing product quality. In the case of imported products, the Slovene importer or agent is obligated to adjust the product to Slovene standards before it leaves the consignment warehouse. The import of goods to Slovenia is generally unrestricted, although certain restrictions exist in the fields of agricultural products, textiles, and wood. There are no restrictions for approximately 93 percent of all goods; six percent of goods are controlled by import quotas; and one percent require an import licence. The Chamber of Economy of Slovenia regulates import and export quotas.

Import Duties: In principle, the import of goods is only subject to customs duties. Many import taxes have already been abolished by the government and further liberalization plans are presently underway. A number of free trade enterprise and customs zones have been established by the government in Celje, Koper, Ljubljana, Maribor, Nova Gorica and Sezana. In these zones, goods can be imported or partially assembled, exempt from import duties, unless the goods leave the zone again. There is a profit tax exemption for five years on exported goods provided that 70 percent of all production is exported.

Documentation: Durable consumer goods imported into Slovenia must be accompanied by a written warranty certificate, instructions for use, and a list of authorized service workshops issued by the Slovene importer or the foreign firm's representative or agent in Slovenia. These documents must be printed in Slovenian and the markings must also be Slovenian.

Free Trade Zones: Free trade and customs zones in Slovenia are being established in the large industrial cities of Ljubljana, Maribor, and Celje, as well as the border areas of Sezana and Nova Gorica and the main Slovene port of Koper-Capodistria. The benefits of doing business in these regions are:

- goods can be freely imported and exported;
- temporary export of goods from the zone into the country for reprocessing, and testing is allowed;
- procedures for registering contracts on cooperation, and compensation are simplified (this also applies to trade in commodities);
- exemptions are granted from the usual customs charges and import taxes; and
- the time limit for the repatriation of foreign currency earnings is extended beyond the usual 90-day limit.

Product Certification: Slovenia has an association agreement with the European Union (EU), so product certification is similar to Western Europe and is moving towards ISO 9000 standards. Approval times vary from one month to one year; however products certified by other EU countries will usually be processed quickly.

EDC Financial Risk Assessment

The Export Development Corporation (EDC) helps Canadian companies compete in world markets through the provision of financial and risk management services. These include export credit insurance, financing to foreign buyers of Canadian goods and services, and guarantees.

The following information was obtained from the EDC Country Risks and Opportunities *book (fall, 1996).*

These issues should be taken into consideration when assessing financial risk in Slovenia.

- Slovenia has avoided becoming embroiled in the wars ongoing elsewhere in the former Yugoslavia. With a population that is 90 percent Slovene, there are not the same ethnic tensions as elsewhere in the Balkans. Nevertheless, vigorous political debate will continue to be based on the divisions between left and right, following a tradition that goes back to the middle of the 19th Century.
- With over 60 percent of GDP created by exports, Slovenia's economic fortunes will

continue to depend to a large extent on business conditions prevailing in the outside world, particularly in the EU where, despite the recent slowdown, prospects remain moderately favourable. Moreover, prospects for tourism and transport are good.

- Transformation to a market economy is making substantial headway. Notably, privatization of state-owned enterprises (SOEs) is continuing.
- Foreign exchange reserves have grown substantially as a result of the current account surplus repatriation of capital by residents. Foreign inflows will likely continue to be attracted by privatization.
- The Slovenian Parliament has approved the agreement reached with the London Club of 400 commercial banks over the country's share of the former Yugoslavia's bank debt. Under the deal, Slovenia will take on slightly over 18 percent of the total outstanding obligations that the former Yugoslavia owed to commercial banks. Slovenia is the first of the former Yugoslav states to finalize an agreement with foreign banks. The Parliament's backing removes the last significant obstacle to the Republic building an independent presence in the international capital markets.
- Slovenia has received all "A" credit ratings on foreign and local currency debt from 3 leading credit agencies in advance of its Eurobond debut. The US$822 million issue is itself part of the recently resolved London Club agreement to repay a 18-percent share of the former Yugoslav bank debt.
- Slovenia's debt service ratio is forecast to remain low over the foreseeable future (much less than 10 percent) and balance of payments problems are not expected.
- In September, 1995, the Slovenian *tolar* was made convertible for current transactions (IMF Article VIII obligations).
- In June 1996 Slovenia became the tenth former-Communist state and the first of the successor states of former Yugoslavia to sign an association agreement with the European Union. The pact was initialed a year ago, but had been blocked by Italy because Slovenia had refused to return state-owned property confiscated by Yugoslavia from ethnic Italians who fled the region after Italy's defeat in World War II.

The EDC can provide medium- and long-term financing to qualified foreign buyers of Canadian goods and services, and short-term export insurance on a case-by-case basis when dealing with terms, other than cash in advance. The EDC has not established lines of credit with banks in Slovenia and rates the overall export risks as satisfactory.

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Canada Mortgage and Housing Corporation

Housing Export Centre	700 Montreal Road Ottawa, Ontario K1A 0P7	Tel.: 1-800-465-6212 or (613) 748-2000 Fax: (613) 748-2302

Canadian Government Departments and Services

Department of Foreign Affairs and International Trade (DFAIT)	InfoCentre Lester B. Pearson Building 125 Sussex Drive Ottawa, ON K1A 0G2	Tel.: 1-800-267-8376 or (613) 944-4000 Fax: (613) 996-9709 FaxLink: (613) 944-4500 InfoCentre Bulletin board: Tel.: 1-800-628-1581 or (613) 944-1581
	Southern Europe Division (RES) 125 Sussex Drive Ottawa, Ontario K1A 0G2	Tel.: (613) 992-0637/944-1562 Fax: (613) 995-8783
Canadian Commercial Corporation (CCC)	50 O'Connor Street, 11th Floor Ottawa, Ontario K1A 0S6	Tel.: (613) 996-0034 Fax: (613) 995-2121
Canadian Embassy (located in Hungary)	Kiralyhago Ter 8-9 H-1126 Budapest XII, Hungary	Tel.: (011-36-1) 156-1251 Fax: (011-36-1) 155-8650

International Trade Centres

Newfoundland	International Trade Centre P.O. Box 8950 Atlantic Place 215 Water Street Suite 504 St. John's, NF A1B 3R9	Tel.: (709) 772-5511 Fax: (709) 772-5093
Prince Edward Island	International Trade Centre P.O. Box 1115 Confederation Court Mall 134 Kent Street Suite 400 Charlottetown, PE C1A 7M8	Tel.: (902) 566-7443 Fax: (902) 566-7450
Nova Scotia	International Trade Centre P.O. Box 940, Station M 1801 Hollis Street Halifax, NS B3J 2V9	Tel.: (902) 426-7540 Fax: (902) 426-5218
New Brunswick	International Trade Centre 1045 Main Street Unit 103 Moncton, NB E1C 1H1	Tel.: (506) 851-6452 Fax: (506) 851-6429
Quebec	International Trade Centre 5 Place Ville-Marie Seventh Floor Montreal, PQ H3B 2G2	Tel.: (514) 283-6328 Fax: (514) 283-8794
Ontario	International Trade Centre Dominion Public Building 1 Front St. West Fourth Floor Toronto, ON M5J 1A4	Tel.: (416) 973-5053 Fax: (416) 973-8161
Manitoba	International Trade Centre P.O. Box 981 330 Portage Avenue 8th Floor Winnipeg, MB R3G 2V2	Tel.: (204) 983-5851 Fax: (204) 983-3182

International Trade Centres (cont'd)

Saskatchewan	International Trade Centre The S.J. Cohen Building 119-4th Avenue South Suite 401 Saskatoon, SK S7K 5X2	Tel.: (306) 975-5315 Fax: (306) 975-5334
Alberta ** Edmonton office is also responsible for Northwest Territories*	International Trade Centre Canada Place 9700 Jasper Avenue Room 540 Edmonton, AB T5J 4C3	Tel.: (403) 495-2944 Fax: (403) 495-4507
	510-5th Street S.W. Suite 1100 Calgary, AB T2P 3S2	Tel.: (403) 292-4575 Fax: (403) 292-4578
British Columbia **Vancouver office is also responsible for the Yukon*	International Trade Centre 300 West Georgia Street Suite 2000 Vancouver, BC V6B 6E1	Tel.: (604) 666-0434 Fax: (604) 666-0954

Export Development Corporation (EDC)

Ottawa	151 O'Connor Street Ottawa, ON K1A 1K3	Tel.: (613) 598-2500 Fax: (613) 237-2690
Vancouver	One Bentall Centre 505 Burrard Street Suite 1030 Vancouver, BC V7X 1M5	Tel.: (604) 666-6234 Fax: (604) 666-7550
Calgary	510-5th Street S.W. Suite 1030 Calgary, AB T2P 3S2	Tel.: (403) 292-6898 Fax: (403) 292-6902
Winnipeg **office also serves Saskatchewan*	330 Portage Avenue Eighth Floor Winnipeg, MB R3C 0C4	Tel.: (204) 983-5114 Fax: (204) 983-2187
Toronto	National Bank Building 150 York Street Suite 810 P.O. Box 810 Toronto, ON M5H 3S5	Tel.: (416) 973-6211 Fax: (416) 862-1267
London	Talbot Centre 148 Fullarton Street Suite 1512 London, ON N6A 5P3	Tel.: (519) 645-5828 Fax: (519) 645-5580
Montreal	Tour de la Bourse 800 Victoria Square Suite 4520 P.O. Box 124 Montreal, PQ H4Z 1C3	Tel.: (514) 283-3013 Fax: (514) 878-9891
Halifax	Purdy's Wharf, Tower 2 1969 Upper Water Street Suite 1410 Halifax, NS B3J 3R7	Tel.: (902) 429-0426 Fax: (902) 423-0881

Multilateral Organizations

World Bank	Washington, D.C. 20433 U.S.A.	Tel.: (202) 477-1234 Fax: (202) 477-6391
Office for Liaison with International Financial Institutions	Canadian Embassy 501 Pennsylvania Avenue N.W. Washington, D.C. 20001	Tel.: (202) 682-7719 Fax: (202) 682-7726

Business and Professional Organizations in Canada

Alliance of Manufacturers and Exporters Canada	99 Bank Street, Suite 250 Ottawa, ON K1P 6B9	Tel.: (613) 238-8888 Fax: (613) 563-9218

Slovenian Government Offices in Canada

Embassy of the Republic of Slovenia	150 Metcalfe Street Suite 2101 Ottawa, Ontario K2P 1P1	Tel.: (613) 565-5781 Fax: (613) 565-5783
Slovenian Institutional Support for Housing Importers	c/o Chamber of Economy of Slovenia Slovenska 41 1504 Ljubljana, Republic of Slovenia	Tel.: (011-386-61) 215-612 Fax: (011-386-61) 219-536
Slovenian Chamber of Commerce	Slovenska 41 61000 Ljubljana, Republic of Slovenia	Tel.: (011-386-61) 215-632 Fax: (011-386-61) 218-242
Ministry for Economic Relations and Development	Kotnikova 5 61000 Ljubljana, Republic of Slovenia	Tel.: (011-386-61) 171-3528 Fax: (011-386-61) 171-3599
Development Fund of Slovenia	Kotnikova 28 61000 Ljubljana, Republic of Slovenia	Tel.: (011-386-61) 131-6332 Fax: (011-386-61) 131-2061

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Card Number
Expiry Date
Signature

☐ Payment enclosed $ ____________
Please make cheque or money order payable to CMHC

To Complete See Example on Reverse Side

ORDER NUMBER	REPORT TITLE Please be sure the order number and report title match the listing	1 QTY	2 ITEM AMOUNT $	3 TOTAL $ AMOUNT 1 x 2	4 SHIPPING POINTS	5 TOTAL SHIPPING POINTS 1 x 4
					3	
					3	
					3	
					3	
					3	
					3	
					3	
					3	
					3	

SOURCE
(How did you hear about the product?)

TV AD ☐ ☐ CATALOGUE
NEWSPAPER ☐ ☐ FLYER/BROCHURE
MAGAZINE ☐ ☐ OTHER

U.S. AND INTERNATIONAL ORDERS
Please pay subtotal C in U.S. Funds
(do not add GST or PST)

Subtotal Column 3	A	
SHIPPING CHOICE Regular Mail ☐ Courier ☐ — ADD Shipping & Handling	B	
Subtotal (Add A + B)	C	
Registration #100756428 — ADD GST (7% of subtotal C)	D	
Subtotal (Add C + D)	E	
Quebec residents add PST (6.5% of Subtotal E)	F	
Total (Add E + F)	G	

Subtotal Column 5

Refer to Shipping and Handling Charges on the back of this form for the shipping and handling amount.

SEE EXAMPLE ON REVERSE

Shipping and Handling Charges

Points	Canada Regular Rates	Canada Courier Rates	U.S. Regular Air Rates	U.S. Courier Rates	International Regular Air Rates	International Courier Rates	Europe Courier Rates
1	2.55	5.00	5.00	11.00	7.00	24.00	19.00
2	3.65	8.00	6.50	14.00	9.00	30.00	25.00
3 to 5	5.80	11.07	8.11	30.75	12.18	63.75	47.75
6 to 10	6.18	11.07	12.46	34.75	20.61	88.75	55.75
11 to 20	6.43	12.35	18.08	42.75	38.77	118.75	71.75
21 to 40	6.94	14.90	23.81	58.75	64.65	193.75	103.75
41 to 60	7.44	17.62	29.48	74.75	68.12	253.75	129.75
61 to 80	7.95	20.51	35.15	90.75	117.36	313.75	149.75
81 to 100	8.45	23.35	40.92	106.75	146.60	373.75	169.75
101 to 120	8.96	26.20	46.59	120.75	166.71	433.75	189.75
121 to 140	9.46	29.05	52.31	134.75	184.72	493.75	209.75
141 to 160	9.97	31.90	58.00	148.75	207.45	553.75	229.75
161 to 180	10.47	34.75	63.71	162.75	228.92	613.75	249.75
181 to 200	10.98	35.60	69.38	176.75	250.29	658.75	269.75
201 to 220	11.48	40.45	75.05	190.75	N/A	718.75	289.75
221 to 240	11.99	43.30	80.72	204.75	N/A	778.75	309.75
241 to 260	12.49	46.15	86.49	218.75	N/A	838.75	329.75
261 to 280	13.00	49.00	92.21	232.75	N/A	901.75	349.75
281 to 300	13.50	51.85	97.88	246.75	N/A	958.75	369.75
Estimated Delivery times	2-3 weeks	5-10 days	2-3 weeks	5-10 days	4-8 weeks	12 days	12 days

Prices Subject to Change

CMHC Return Policy

We will replace damaged materials and correct shipping errors if we are notified within thirty days after you receive your shipment. If an item is not defective or not mistakenly shipped, then it must be returned by you at your cost within thirty days of receipt. It must arrive here in resaleable condition for you to receive credit.

International Note: Most international return shipments arrive damaged. If you received damaged items, contact CMHC at (613) 748-2969. Please do NOT return the damaged items unless we ask.

Example: To complete order form and determine shipping and handling charges

ORDER NUMBER	REPORT TITLE Please be sure the order number and report title match the listing	1 QTY	2 ITEM AMOUNT $	3 TOTAL AMOUNT 1 x 2	4 SHIPPING POINTS	5 TOTAL SHIPPING POINTS 1 x 4
NHA 8003	Brazil	1	35.–	35.–	3	3
NHA 8009	Western Europe	2	23.–	46.–	3	6
					3	
					3	

Subtotal Column 3	A	81.–
SHIPPING CHOICE Regular Mail ☑ Courier ☐ — ADD Shipping & Handling	B	6.18
Subtotal (Add A + B)	C	87.18
Registration #100756428 — ADD GST (7% of subtotal C)	D	6.10
Subtotal (Add C + D)	E	93.28
Quebec residents add PST (6.5% of Subtotal E)	F	–
Total (Add E + F)	G	93.28

Subtotal Column 5: 9

Refer to Shipping and Handling Charges on the back of this form for the shipping and handling amount.

SOURCE
(How did you hear about the product?)

TV AD ☐ ☐ CATALOGUE
NEWSPAPER ☐ ☐ FLYER/BROCHURE
MAGAZINE ☐ ☐ OTHER

U.S. AND INTERNATIONAL ORDERS
Please pay subtotal C in U.S. Funds
(do not add GST or PST)

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